A Very Powerful Official

By AARON HARDY ULM

A SOFT-MANNERED, gentle-voiced Southerner, a South Carolinian of Southerners, visited a newly risen Western community in the days when Civil War veterans dominated in every neighborhood. The local agent of the investment concern he represented met the visitor and made ready to take him around and introduce him to leading citizens.

"Let me warn you," advised the agent in a half whisper, "to be very careful about what you say concerning the South and the war. You know this community is peopled by rebels who came West when the war ended."

"I was a young man then," says the Southerner thus spoken to, "and had strong sentiments about the war and its issues, and they were quite opposite to those the agent, who thought I was a Northern man, suspected. But I didn't correct him and followed his counsel, which in later life has been of much value to me, for the incident brought home to me the importance of being, before all else, an American."

He is Daniel C. Roper, United States Commissioner of Internal Revenue and as such the potentially most powerful official in the Federal Government. The "C" stands for Calhoun, and, though he hasn't lived there for a long time he looks upon the small town of McCall, South Carolina, as "home" and is regarded by the people there as one of them, just as much as if he sauntered through its picturesque streets every day. He is proud of his state's and section's traditions and lends an enthusiastic hand toward sustaining and exalting them. But those who deal with him politically and officially never think of him as a South Carolinian or Southerner and unless they made inquiry they would never know or suspect the fact. The incident in the mining town has caused him to veritably lean backward in steering clear of invidious sectionalism. Even when his children finished the common schools, he sent them to colleges in different sections of the country.

"I wanted my family circle to include knowledge of and pride in every section of the country," says he. "So now if anyone at the breakfast table utters a criticism of the West or the Middle West or the East there usually is another with facts and enthusiasm, based on experience and acquaintances, to meet it."

IF COMMISSIONER ROPER were of another type, the type often if not generally encountered in political offices of high significance, critics gunning for him, or the administration he serves, or the government, would fire at him the word "Fouche." Though the vast power he wields or in certain eventualities might wield, would give some warrant for it, such a shot would fly far afield from Roper. In fact, he is one high government official that this writer, who is in fairly close touch with national affairs, has never heard criticized, though the place he fills touches the supertender sides, that is to say the money and the business and to some extent the personal conduct sides, of millions of Americans. It is he or his subordinates who must decide whether that income tax blank you will soon fill out again, provided you earned more than $2,000 last year, states the full and exact truth about how much money you make and, largely, what you do with it. He or his assistants can come into your place of business and go over your books to find whether you tell the truth about its financial operations. He must see to it that the girl at the window takes toll in pennies from you every time you go to the movies, and also must see that those pennies reach the Treasury. Every purchase or sale of a narcotic drug comes in detail within his surveillance. Likewise does every operation in oleomargerine or adulterated butter or mixed flour and in various other things. And now, if you undertake to make a little home brew, it is up to Roper, or his vast semi-secret service force, to get you, provided the fermentation yields more than one-half of one per cent of alcohol.

There is scarcely a person in all the country who doesn't daily come directly or indirectly in touch with the operations of the United States Internal Revenue Service. Its name would imply that it is a mere tax-gathering organization. That is its prime function; a function that brought into Uncle Sam's till more than five billions of dollars last year. Yet much of the bureau's work has next to nothing, or wholly nothing, to do with money raising; it comprises functions that are of the policing type as much as are those of the Treasury or the Department of Justice secret service forces. And the money raising involves the exercise of far-reaching police powers.

In truth, the Department of Justice secret service for running down "Reds" or trust magnates, and the Treasury secret service for running down counterfeiters, are mere squads, when viewed as to magnitude and variety of operations, when compared with the corps of investigators under the Bureau of Internal Revenue.

That corps collects and collates information that conveys the inner secrets of the entire business life of America.

Correct and complete information was one, if not the greatest, secret of Napoleon's success. It is the essence of power. But the files of Fouche, Napoleon's great and feared police minister, never contained as much and as complete information about Frenchmen and French affairs as those of the revenue bureau contain about Americans and American affairs.

If you happen to be a drug fiend, the fact is noted in those files, which show how much, and how you procure, narcotic your system craves. If you pay an income tax, there is a record there perhaps of the repairs you made on your home last year, as well as the amount and sources of your income. If you are in business of consequence there is or will be a record there of how much business you did, how much money you made and how. More than 3,000,000 persons and business establishments made income or excess profits tax reports last year.

And with those businesses over which the bureau has full supervisory power the bureau gets and keeps a record in minute detail.

Most of the information is made secret by law, and in the whole is available alone to the Commissioner of Internal Revenue and the Secretary of the Treasury. For disclosing or misusing any of that rated confidential, heavy penalties are provided.

It was probably because of the immense power, potential if not actual, accruing to the revenue bureau, as well as the immense responsibilities of the office as reorganized following our entry into the war, that caused President Wilson to "wish" the commissionership on Daniel C. Roper.

Prior to 1918 it was largely a routine office that filled a half dozen rooms in the old Treasury Building and looked after distributing revenue stamps and discouraging blockade whisky operations. It collected a few hundred millions a year under the direction of a chief who commonly was a "deserving" type of party politician.

The war and the consequent necessity for raising billions from internal revenues brought about a vast reorganization of the bureau. The working force was increased from 3,000 to 15,000. The few office rooms grew into fifty or sixty. The new Treasury Annex Building was taken over wholly by the income tax division of the bureau, and several other buildings are filled by various divisions.

Yet only a modicum, so to speak, of the bureau's operations are in Washington. More than 12,000 members of the force are in the field service that is scattered over the country. There are sixty-four collection districts, each with a big force. Through those district organizations most of the internal revenues are gathered. They report to Washington, where final executive power lies. But between them and Washington are intermediary or general supervisory forces, known generally as revenue agents. While members of the internal revenue corps don't move around furtively like secret service operatives, they are organized somewhat after the plan of Fouche's great police system. There are several layers, each checking on the other. That method governs the new force organized to enforce national prohibition. In each state there is a directing official, but above him is another sub-director who has a "flying squadron" for use in a zone including several states. There are twelve such zones. Then under the Commissioner in Washington there is a chief director of the force, as of other internal revenue forces.

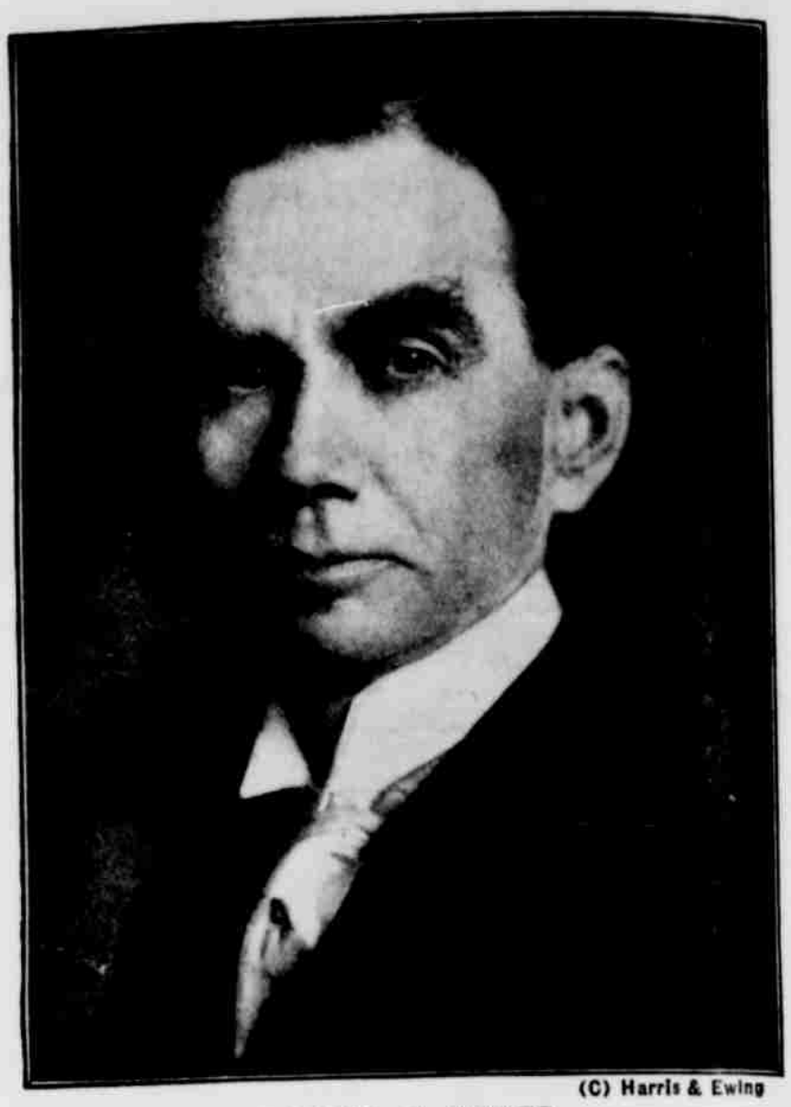
The prohibition force has virtually nothing to do with raising revenues; its function is almost wholly that of policing.

Commissioner Roper wasn't in favor of prohibition enforcement being imposed on his bureau, giving in his opposition a rare display of an official objecting to his powers being increased.

But "General" Roper, as he is known to his friends, has no love of power for power's sake, and that is perhaps an additional reason why President Wilson insisted that he take hold of the revenue bureau.

The Commissioner is one of the few Federal officials of distinction who rose from that helpless and usually hopeless position known commonly by the term "government employe." He was for many years in the civil service, the most nearly certain burying-ground for talent in the country.

His first American ancestor was one of the original settlers at Jamestown and his people have long been prominent in the social and political life of the South. He was elected to the South Carolina legislature when just old enough to vote. During the closing days of the Cleveland administration he was clerk of a United States Senate Committee.



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DANIEL C. ROPER

In 1900 he became a statistical clerk in the United States Census Bureau. He knew much about cotton and was assigned to that branch of the work. When a Senator or Congressman wanted figures or other data about the South's great crop, they found that Roper was the man who could always supply it. Though he didn't belong to the party that ruled administrative Washington, he rose in the bureau until he became its chief expert on cotton. He organized the present system of getting statistics of cotton production, having developed the ginnery reports, perhaps the most valuable of all sources of data bearing on the annual cotton harvest.

Then he became the textiles expert of the Ways and Means Committee of the House of Representatives, and when the Democrats took over the House he was made clerk of that committee.

He worked out the intricate details involved in developing the Underwood-Simmons Tariff Act, which now prevails.

Then he became First Assistant Postmaster General and because of the talent for organization displayed in that place, he was asked, in 1916, to resign and direct the organization bureau of national Democratic headquarters in the campaign that resulted in the second election of President Wilson. That was the most important of headquarters' bureaus and prior to 1916 had always been conducted by a man prominent in campaigning politics. But, though he is not of that type, Roper taught the elder politicians many things about political organization.

The campaign over, he was put on the newly created Tariff Board, a quiet, non-contentious place that could have been his for life.

But in a few months the war came and with it necessity for organizing the internal revenue bureau for the collection of billions, involving the gathering of manifold information of great importance concerning individuals and businesses. The place paid $6,500 a year; the Tariff Board job, $7,500. But, on President Wilson's request, Roper took it, and after a year Congress raised his salary to $10,000.

When the politicians of the old-time, ambitions-to-be-boss school think of the "opportunities" afforded by the Internal Revenue Bureau, as lately enlarged, for developing personal and political power, their faces redden with envy.

But under "General" Roper the precincts of the bureau, its files, its vast powers of supervision, inquiry and decision are treated as things sacred.

Alaska's Gold, Silver, Copper, Platinum, Tin and Oil

EXCEPT on the railroad the transportation conditions in Alaska were worse in 1919 than in any previous year, and this has tended to discourage those who were planning new ventures.

Approximate value of Alaska's mineral products in 1919.

Gold	$ 9,000,000
Copper	8,500,000
Silver	650,000
Coal	350,000
Lead	100,000
Tin	50,000
Platinum, palladium, quicksilver, petroleum, marble and gypsum	200,000
Total	$18,850,000

During 39 years of mining Alaska has produced gold to the value of $311,000,000, of which $218,000,000 is to be credited to placer mines.

Eighteen gold-lode mines, operating in Alaska in 1919, produced gold worth $4,100,000. Twenty-five mines in 1918 produced gold worth $3,473,000. The increase in 1919 came from three mines at Juneau.

Eight copper mines were operated in 1919, producing about 44,800,000 pounds of copper, valued at $8,500,000. The output in 1918 was 69,225,000 pounds, valued at $17,099,000, and came from 17 mines. Owing to the fall in the price of copper and the uncertainty of the market, the larger mines decreased their output and many of the small ones were closed.

The silver output of Alaska in 1919 was about 590,000 ounces, of which some 500,000 ounces was recovered from copper ores. Alaska's lead output of 1919 is estimated to be 800 tons, practically all a by-product of the gold-lode mines.

Preliminary estimates indicate that about 40 tons of metallic tin was produced in Alaska during 1919, all from placers, but important developments were continued on lode mines.

Some platinum was recovered in the mining of placer gold, and the mining of certain copper ore which carries palladium and platinum was continued. The petroleum produced in Alaska in 1919, as in previous years, came from the only patented oil land of the Territory, in the Katalla field. The output was increased, and drilling continued. In view of the probable early enactment of an oil-land leasing law the interest in the Alaska petroleum fields has revived, and after this law has been enacted there will undoubtedly be something like an oil boom.